

# DMRS Rate Reduction Fact Sheet

1. Budgeted cost per person per day in the statewide waiver for fiscal year 2007-08 is \$209.  
July 2006 cost per day was \$209. This was the last month of complete data available for the 2007-08 budget preparation.  
Additionally, the average cost per person per day from January 2006 through July 2006 was \$209.

2. Cost per day increased throughout fiscal year 2006-07 and continues to increase.

January 2007	\$225	July 2007	\$229
February 2007	\$226	August 2007	\$234
March 2007	\$226	September 2007	\$229
April 2007	\$226	October 2007	\$235
May 2007	\$229	November 2007	\$229
June 2007	\$231		

3. For fiscal year 2005-06, the average home and community based services cost per person per day in the nation was \$109.

4. From fiscal year 2003-04 to fiscal year 2005-06, the average cost per person per day in the statewide waiver for Tennessee:

Fiscal Year 2003-04	\$189
Fiscal Year 2004-05	\$201
Fiscal Year 2005-06	\$204

5. DMRS currently has three home and community based services waivers : Statewide, Self Determination, and Arlington.  
The total fiscal year 2007-08 budget for the above three waivers is:

Federal	\$ 344,016,500
State	196,083,200
Total	<u>\$ 540,099,700</u>

6. Without enacting any change, DMRS was projecting a fiscal year 2007-08 over expenditure in the waivers:

Federal	\$ 26,475,300
State	15,090,400
Total	<u>\$ 41,565,700</u>

7. Improvement needed for the fiscal year 2008-09 budget for the home and community based services would have been:

Federal	\$ 70,191,700
State	40,865,200
Total	<u>\$ 111,056,900</u>

8. From fiscal year 2003-04 to fiscal year 2007-08, total recurring improvement funding received for DMRS was:

Total	\$170,716,300
State	\$84,167,800

9. Additionally, DMRS has transferred \$33,352,900 in state appropriation to TennCare to be used as match money allowing DMRS to increase its budget by \$53,505,000.

10. From fiscal year 2003-04 through fiscal year 2006-07, DMRS programs have received \$46,987,900 in supplemental state appropriation.

11. Number of people served in the community waiver program has increased from 4,434 in July 2003 to 7,225 in November 2007.

12. There are 6,329 people on the waiting list for DMRS services. Forty-eight percent are children.

13. DMRS initiatives for cost containment includes:

- Limit number of new enrollees to the statewide waiver from 19 per month to 6 per month.
- Increase number of new enrollees to the Self Determination Waiver from 31 per month to 44 per month.
- Limit services to medical necessity
- Hiring freeze
- Travel freeze
- Restrict purchasing to only goods and services needed for the well-being of DMRS service recipients
- 5% reduction of total annual operations at the Developmental Centers, Regional Offices and Central Office
- 6.1% reduction on statewide waiver payments for services delivered on or after January 1, 2008

14. Reduction of 6.1% was based on projected over-expenditure in the State-wide waiver off set by savings in the Arlington and Self Determination waivers for the period of October 2007 to June 2008.